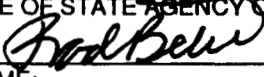
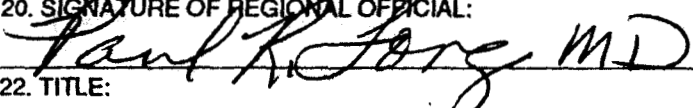


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: <u>U T - 0 1 - 003</u>	2. STATE: UTAH
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2001	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a)(13)(A) of the Act		7. FEDERAL BUDGET IMPACT: a. FFY 2001 \$-0- b. FFY 2002 \$0-	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: ATTACHMENT 4.19-A, Page 8		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same	
10. SUBJECT OF AMENDMENT: Sub-acute Care and Swing Beds			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Rod L. Betit - Executive Director Department of Health Box 143102 Salt Lake City, UT 84114-3102	
13. TYPED NAME: Rod L. Betit			
14. TITLE: Executive Director Department of Health			
15. DATE SUBMITTED: February 16, 2001			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: March 16, 2001		18. DATE APPROVED: 05/03/01	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/01		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Paul R. Long MD		22. TITLE: Acting Associate Regional Administrator	
23. REMARKS: POSTMARK: March 12, 2001			

Section 200 Other Payments

210 Small Volume Utah and Out-of-State Hospitals -- Except as provided in Section 191, payment will be made under the same DRG methodology as in-state urban hospitals. The hospital specific factor will be the lowest factor for an urban hospital in Utah with over \$100,000 in Medicaid payments during the prior fiscal year.

240 Sub-acute Care and Swing-Beds -- This policy pertains to patients that do not require acute hospital care.

-- When sub-acute care patients receive medically necessary services in an inpatient hospital setting, payment is made at the swing-bed rate. Because sub-acute patients require a lower level of care, the rate is lower than the rate paid for acute hospital services. The sub-acute rate is calculated using the criteria specified in 42 CFR 447.280(a)(1).

-- When nursing home beds are not immediately available in the community, patients may receive skilled or intermediate nursing care in a bed of a qualified hospital. Rural hospitals typically qualify for the swing-bed program. Payment is made at the swing-bed rate using the criteria specified in 42 CFR 447.280(a)(1). Patients are transferred to licensed nursing home beds in certified facilities when such beds are available in the community.

-- Services provided in hospitals licensed as chronic disease or rehabilitation will be paid the nursing facility intensive skilled rate defined in Section 1000 of ATTACHMENT 4.19-D of the State Plan, as modified by this Section. Rehabilitation days of care require prior approval to qualify for payment. Intensive skilled rates are negotiated for individual patients. In determining the intensive skilled rates for hospital rehabilitation units, therapy costs are allowed to be included with nursing costs referenced in ATTACHMENT 4.19-D, Section 1000. In addition, the intensive skilled payment is limited to the amount Medicare would pay for the same services at the same facility.

241 Insignificant Billing Variances - When the Medicaid payment is determined using the billed usual and customary charges (i.e., rural hospitals), insignificant billing errors may be processed. To expedite payment and to reduce administrative effort, Medicaid pays the lesser of the detailed charges or the total charges, if the difference is ten dollars or less.

250 Payment for Emergency Days -- Emergency days for inpatient psychiatric services cover the time between admission and the first service date authorized by the Medicaid prior authorization staff. Emergency days under the DRG system will be paid a per diem for each approved day. As with transfer patients, the DRG per diem will be calculated by dividing the DRG payment by the geometric mean length of stay.

T.N. No. 01-003
Supersedes
T.N. No. 93-26

Approval Date 05/03/01

Effective Date 01/01/01